

MINUTE ITEM

7/12/66

24. REQUEST FOR DEFERMENT OF DRILLING REQUIREMENTS, P.R.C. 2955.1, SANTA BARBARA COUNTY; TEXACO INC. - W.O. 6162.

After consideration of Calendar Item 5 attached, and upon motion duly made and carried, the following resolution was adopted:

THE EXECUTIVE OFFICER IS AUTHORIZED TO GRANT TO TEXACO INC. A DEFERMENT OF DRILLING REQUIREMENTS UNDER OIL AND GAS LEASE P.R.C. 2955.1 THROUGH MARCH 7, 1967, ALL OTHER TERMS AND CONDITIONS OF THE LEASE TO REMAIN IN FULL FORCE AND EFFECT.

Attachment

Calendar Item 5 (1 page)

5.

REQUEST FOR DEFERMENT OF DRILLING REQUIREMENTS, P.R.C. 2955.1, SANTA BARBARA COUNTY; TEXACO INC. - W.O. 6162.

An application has been received from Texaco Inc. requesting a deferment of drilling requirements through March 7, 1967.

State Oil and Gas Lease P.R.C. 2955.1, containing approximately 4,250 acres of tide and submerged lands in Santa Barbara County, was issued on December 20, 1962, to Texaco Inc., pursuant to competitive public bidding.

Texaco has drilled one well on the lease to date, an exploratory test. This well was abandoned on November 7, 1965. Texaco has stated that in excess of \$750,000 was expended in the drilling of the well.

The Commission, since January 26, 1966, has granted deferments of drilling requirements through September 7, 1966.

The lessee states that a seismic survey begun in 1965 was completed in mid-January of this year, but the resultant data needs further processing and refinement. Texaco also states that it is planning additional seismic work to start in June, if possible, to supplement the existing data.

The operator estimates that a period of five to six months after the completion of the additional seismic work will be required to process and interpret all data completely. Texaco therefore has requested that the drilling deferment granted through September 7, 1966, be extended through March 7, 1967.

In conformance with current Commission practice of granting deferments for periods not in excess of six months,

IT IS RECOMMENDED THAT THE COMMISSION AUTHORIZE THE EXECUTIVE OFFICER TO GRANT TO TEXACO INC. A DEFERMENT OF DRILLING REQUIREMENTS UNDER OIL AND GAS LEASE P.R.C. 2955.1 THROUGH MARCH 7, 1967, ALL OTHER TERMS AND CONDITIONS OF THE LEASE TO REMAIN IN FULL FORCE AND EFFECT.